REMARKS:

With respect to the examiners rejection of the claims under 35 USC 101 as not being directed to statutory subject matter, the applicant responds as follows:

The examiner argues that the law as defined by State Street Bank & Trust Company vs. Signature Financial Group Inc. 149 Fed. 3rd 1371; 47 USPQ 2nd 1599 requires to be patentable the practical application of a mathematical algorithm, formula or calculation in which data is transformed into a final number {final share price} which thus constitutes a practical application of a mathematical algorithm because it produces a useful concrete and tangible result. The examiner argues that the instant disclosure "...is nothing more than generalities as to various risks, and assessing and categorizing various risk factors." He then goes on to cite AT&T vs. Excel Communications and focuses on the definition of "concrete" in finding that applicant does not provide "concrete" result.

The board of appeals in considering the same objections under section 101 simply stated "The calculation of a score for determining probability of success in a lawsuit or for determining the relative strength of undertaking commercialization of an Intellectual Property is clearly a tangible, useful and practical result, which is obtained by the instant claimed invention."

The applicant contends that this statement says that the invention as claimed yields a useful concrete and tangible result as required not only under State Street Bank but under the AT&T vs. Excel Communications case both of which were cited by the Board. The examiner has already been overruled on this point and the claims have not changed. It is clear that the Board of

Appeals thoroughly reviewed the issue of patentable subject matter and has determined the same to be present in the claims. The examiner has not attempted to apply a new and novel interruption to the cited cases, consequently the Board's decision on patentability under §101 must stand.

The examiner goes on to reject the claims under 35 USC 112, arguing that one skilled in the art cannot practice the invention based upon the specification's teachings. The examiner's §112 rejection is flawed for several reasons. First it appears that the examiner had concluded that experimentation and data collecting cannot be a precursor to determining weights which are then fed into a computer and result in a patentable end product. The examiner complains that such would be "undue experimentation". References made to US Patent number 5,999,907 cited by the examiner in his most recent office action. That patent reflects the proper § 112 standard. In the 907 patent, the inventor, Ira H. Donner, states as follows, at column 4 lines 23 et seq. "Next the data would be transmitted to a database access device 16 which would collect various data from different on-line Intellectual Property data bases 18. The collected data represents different Intellectual Property worth indicators. Each worth indicator would then assigned a value which would be approximated using previously collected indicator values, which are based on Intellectual Property portfolios which have known worth or dollar values by consulting empirical database 22." Clearly Donner suggests doing something similar to applicant (i.e. collecting worth indicators and assigning them values) even if different from applicant and for a different reason.

Donner then goes on to suggest that the number of claims, the number of references cited, and the number classes searched can serve as examples of his worth indicators. Clearly Donner leaves open-ended the number of worth indicators he would collect and assign a value. All though the Donner invention is completely different from the instant invention, it appears in the instant case the examiner is penalizing the applicant for going the extra distance to elucidate all of the risk factors that may be of interest by raising the objection of undue experimentation.

Applicant, however, goes further to enable practice of the invention by organizing the risk factors into risk categories. The applicant also points out to the examiner that the claims do not require any specific number of risk factors or risk categories be present to gain the advantage of the invention. Moreover in the modern-day era of high-speed computer calculating and internet searching the investigation of 100 items is hardly an impossible task and certainly does not rise to the level of undue experimentation. In fact it is precisely the use of a computer which enables the invention to be practiced. Moreover similar information gathering techniques are known in the art as exemplified by the Donner reference cited by the examiner.

The examiner further suggests that there is no guidance as to how to use the score in representing a relative degree of strength associated with commercializing Intellectual Properties. The applicant refers to figure 1 step 3. were a composite score is calculated. It is then subjected to a known or projected moral hazard adjustment to obtain a probable success factor. It is suggested by the applicant that the way to use a probable success factor when undertaking a lawsuit is readily apparent. A low probable success factor would bode against bringing a suit and a high probable success factor would contrariwise suggest bringing the lawsuit. Even the Board of

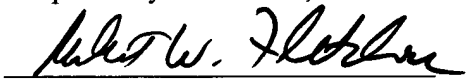
Appeals recognized this when they held "The calculation of score for determining probability of success in a lawsuit...is clearly a tangible, useful and practical result...".

Lastly, the examiner has rejected the claims 35 USC §103 as being obvious over Donner US Patent number 5,999,907. First it should be noted that Donner discloses an Intellectual Property computer implemented audit system for valuing an Intellectual Property portfolio. Donner does not suggest that he is attempting to determine the probable success factor when enforcing a patent, but rather Donner describes and claims a method for automatically determining a machine implemented estimated value of an Intellectual Property portfolio where that portfolio is compared to a second portfolio having a known value. Specifically the second portfolio must have objectively determinable characteristics which are statistically similar to the first objectively determinable characteristics of the first Intellectual Property portfolio. The applicant suggests that while the examiner has found such terms as "Intellectual Properties" and interacting with a computer", Donner has gone in a completely different direction. As such the applicant contends that his invention of a process for evaluating strength of a specific Intellectual Property for purposes of commercializing it is not disclosed or even remotely suggested by Donner. Both Applicant and Donner utilize computers but they are doing two entirely different things. Donners' first database has information relating to the Intellectual Property portfolio to be valued, and the second database has empirical data establishing it as an IP portfolio of known value. Donner' patent, of course, is entirely prophetic and includes the very important assumption that there are indeed IP portfolios having a known value. Interestingly of applicants one hundred risk factors, Donner only uses 1/3 of 1 risk factor. Specifically, the applicant looks at the perceived quality, specificity, and number of claims, while Donner only mentions the

number of claims as a consideration in valuing a patent portfolio. Clearly Donner and applicant have set out to accomplish completely different tasks and the minimal overlapping of their considerations exemplifies this fact. Clearly there is no suggestion in Donner of a method of calculating a score for the probability of success of an IP lawsuit.

Based upon the above discussion and remarks in review of the amendment to the claims the applicant believes that the application is in condition for allowance and respectfully requests such action.

Respectfully Submitted,



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